

By: Edwards

H.B. No. 2154

A BILL TO BE ENTITLED

AN ACT

relating to the physician education loan repayment program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 155.0211, Tax Code, is amended by amending Subsection (b) and adding Subsections (b-1), (b-2), (b-3), (b-4), (c), (d), and (e) to read as follows:

(b) Except as provided by Subsection (c), the ~~[The]~~ tax rate for each can or package of a tobacco product ~~[products]~~ other than cigars is \$1.22 per ounce and a proportionate rate on all fractional parts of an ounce ~~[40 percent of the manufacturer's list price, exclusive of any trade discount, special discount, or deal]~~.

(b-1) Notwithstanding Subsection (b) and except as provided by Subsection (c), for the state fiscal year beginning September 1, 2012, the tax rate for each can or package of a tobacco product other than cigars is \$1.19 per ounce and a proportionate rate on all fractional parts of an ounce. This subsection expires December 1, 2013.

(b-2) Notwithstanding Subsection (b) and except as provided by Subsection (c), for the state fiscal year beginning September 1, 2011, the tax rate for each can or package of a tobacco product other than cigars is \$1.16 per ounce and a proportionate rate on all fractional parts of an ounce. This subsection expires December 1, 2012.

(b-3) Notwithstanding Subsection (b) and except as provided

1 by Subsection (c), for the state fiscal year beginning September 1,  
2 2010, the tax rate for each can or package of a tobacco product  
3 other than cigars is \$1.13 per ounce and a proportionate rate on all  
4 fractional parts of an ounce. This subsection expires December 1,  
5 2011.

6 (b-4) Notwithstanding Subsection (b) and except as provided  
7 by Subsection (c), for the state fiscal year beginning September 1,  
8 2009, the tax rate for each can or package of a tobacco product  
9 other than cigars is \$1.10 per ounce and a proportionate rate on all  
10 fractional parts of an ounce. This subsection expires December 1,  
11 2010.

12 (c) The tax imposed on a can or package of a tobacco product  
13 other than cigars that weighs less than 1.2 ounces is equal to the  
14 amount of the tax imposed on a can or package of a tobacco product  
15 that weighs 1.2 ounces.

16 (d) The computation of the tax under this section and the  
17 applicability of Subsection (c) shall be based on the net weight as  
18 listed by the manufacturer. The total tax to be imposed on a unit  
19 that contains multiple individual cans or packages is the sum of the  
20 taxes imposed by this section on each individual can or package  
21 intended for sale or distribution at retail.

22 (e) A change in the tax rate in effect for a state fiscal  
23 year that occurs in accordance with this section does not affect  
24 taxes imposed before that fiscal year, and the rate in effect when  
25 those taxes were imposed continues in effect for purposes of the  
26 liability for and collection of those taxes. This subsection  
27 expires December 1, 2013.

1 SECTION 2. Section 155.2415, Tax Code, is amended to read as  
2 follows:

3 Sec. 155.2415. ALLOCATION OF CERTAIN REVENUE TO PROPERTY  
4 TAX RELIEF FUND AND CERTAIN OTHER FUNDS. Notwithstanding Section  
5 155.241, the [all] proceeds from the collection of taxes imposed by  
6 Section 155.0211 shall be allocated as follows:

7 (1) the amount of the proceeds that is equal to the  
8 amount that, if the taxes imposed by Section 155.0211 were imposed  
9 at a rate of 40 percent of the manufacturer's list price, exclusive  
10 of any trade discount, special discount, or deal, would be  
11 attributable to the portion of that [the] tax rate in excess of  
12 35.213 percent [of the manufacturer's list price, exclusive of any  
13 trade discount, special discount, or deal], shall be deposited to  
14 the credit of the property tax relief fund under Section 403.109,  
15 Government Code;

16 (2) the amount of the proceeds that is equal to the  
17 amount that would be attributable to a tax rate of 35.213 percent of  
18 the manufacturer's list price, exclusive of any trade discount,  
19 special discount, or deal, if the taxes were imposed by Section  
20 155.0211 at that rate, shall be deposited to the credit of the  
21 general revenue fund; and

22 (3) 100 percent of the remaining proceeds shall be  
23 deposited to the credit of the physician education loan repayment  
24 program account under Chapter 61, Education Code.

25 SECTION 3. Section 61.535(a), Education Code, is amended to  
26 read as follows:

27 (a) The coordinating board shall deliver any repayment made

1 under this subchapter in a lump sum:

2 (1) payable to both the lender and the physician, in  
3 accordance with federal law; or

4 (2) delivered directly to the lender on behalf of the  
5 physician in electronic form.

6 SECTION 4. Subchapter J, Chapter 61, Education Code, is  
7 amended by adding Section 61.5391 to read as follows:

8 Sec. 61.5391. PHYSICIAN EDUCATION LOAN REPAYMENT PROGRAM

9 ACCOUNT. (a) The physician education loan repayment program  
10 account is an account in the general revenue fund. The account is  
11 composed of:

12 (1) gifts and grants contributed to the fund;

13 (2) earnings on the principal of the fund; and

14 (3) other amounts deposited to the credit of the fund,

15 including:

16 (A) legislative appropriations; and

17 (B) money deposited under Section 155.2415, Tax

18 Code.

19 (b) Money in the fund may not be appropriated for any  
20 purpose except as provided by this section. Money in the fund shall  
21 be used to recruit and retain physicians in health professional  
22 shortage areas.

23 (c) To be eligible to receive repayment assistance, a  
24 physician must:

25 (1) apply to the board;

26 (2) be licensed in this state in the appropriate field

27 of practice;

1           (3) have completed one, two, three, or four  
2 consecutive years of practice in a health professional shortage  
3 area designated by the department; and

4           (4) provide health care services to:

5                 (A) recipients under the medical assistance  
6 program authorized by Chapter 32, Human Resources Code; or

7                 (B) enrollees under the child health plan program  
8 authorized by Chapter 62, Health and Safety Code.

9           (d) A physician may receive repayment assistance under this  
10 subchapter in the amount determined by board rule, not to exceed the  
11 following amounts for each year for which the physician establishes  
12 eligibility for the assistance:

13                 (1) for the first year, \$25,000;

14                 (2) for the second year, \$35,000;

15                 (3) for the third year, \$45,000; and

16                 (4) for the fourth year, \$55,000.

17           (e) A physician may not receive repayment assistance under  
18 this subchapter for more than four consecutive years.

19           SECTION 5. The changes in law made by this Act in amending  
20 Chapter 155, Tax Code, do not affect tax liability accruing before  
21 the effective date of this Act. That liability continues in effect  
22 as if this Act had not been enacted, and the former law is continued  
23 in effect for the collection of taxes due and for civil and criminal  
24 enforcement of the liability for those taxes.

25           SECTION 6. This Act takes effect September 1, 2009.